

May 14, 2020

VIA ELECTRONIC MAIL

J. Abbott R. Cooper, individually and as Managing Member of
Driver Management Company LLC, General Partner of
Driver Opportunity Partners, LP
c/o Jason R. Scherr, Partner
Morgan, Lewis & Bockius LLP
jr.scherr@morganlewis.com

Re: Driver Opportunity Partners, LP - Share acquisition - First United Corporation - Results of Investigation

Dear Mr. Cooper:

As you are aware, on January 21, 2020, the Enforcement Unit of the Office of the Commissioner of Financial Regulation commenced an investigation into the acquisition, by Driver Opportunity Partners, LP and certain other individuals (collectively, “Driver”), of over five percent (5%) of the shares of voting stock of First United Corporation (“Corporation”) which owns First United Bank and Trust of Oakland, Maryland, a Maryland-chartered banking institution. The Corporation and the Bank are subject to supervision by my Office under Md. Code Ann. Fin. Inst. (“FI”) Titles 3 and 5. The investigation has been completed and staff has concluded that there is sufficient evidence to find that Driver’s failure to apply for prior approval of the referenced stock purchase constituted a violation of the requirements of Maryland Annotated Code FI §3-314. Since it appears that a violation of law has occurred in this instance, I am in consultation with counsel from the Office of the Maryland Attorney General to determine what, if any, would be appropriate next steps under FI §§ 2-115 and 2-116 for our Office to take.

While our Office has discretion in determining what, if any, of the remedies set forth in FI §§ 2-115 and 2-116 may be pursued under these circumstances, FI §3-314(e) contains a consequence to a violation of FI §3-314 that has been mandated by the General Assembly. Specifically, pursuant to FI §3-314(e), voting stock that is acquired in violation of the FI §3-314 may not be voted for a period of five (5) years. Prior approval of the acquisition was not sought, and so, the stock acquisition was not approved by my Office. In light of the law’s voting prohibition and the Corporation’s upcoming annual meeting, I am sending a copy of this letter to the Corporation’s counsel for their consideration.

Should there be any additional questions, please do not hesitate to have your counsel contact my counsel, Assistant Attorney General Milena Trust, by e-mail at milena.trust@maryland.gov or by telephone at (410) 230-6139.

Regards,

Antonio P. Salazar

Antonio P. Salazar
Commissioner

cc: Jedd Bellman, Assistant Commissioner
Dana Allen, Director of Enforcement
Milena Trust, Assistant Attorney General, Principal Counsel
Andrew Bulgin, Esq.

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